

On December 22, 2010, the Nebraska Supreme Court adopted the following amendments to Neb. Ct. R. §§ 3-201 and 3-202:

§ 3-201. Permissible business organizations; name restrictions; membership professional liability; insurance required; dissolution.

(A) As of December 1, 1999, attorneys who are licensed to practice law in Nebraska may do so in the form of professional corporations, limited liability companies, or limited liability partnerships (herein referred to as “domestic professional organizations”) permitted by the laws of Nebraska to conduct the practice of law, provided that such professional organizations maintain the mandatory minimum levels of professional liability insurance set forth at § 3-201(C)(7) and are established and operated in accordance with the provisions of this rule and the Nebraska Rules of Professional Conduct, and provided that a certificate of authority is granted by the Nebraska Supreme Court pursuant to § 3-202(A). For purposes of these rules, “organizing document” shall mean articles of incorporation, articles of organization, certificate of organization, statement of qualification, or partnership agreement for domestic professional organizations.

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(C) The provisions of this rule shall apply to all foreign and domestic professional organizations (hereinafter collectively referred to as “professional organizations”) having as shareholders, officers, directors, partners, employees, members, or managers one or more attorneys who engage in the practice of law in Nebraska, whether such professional organizations are formed under Nebraska law or under laws of another state or jurisdiction. All professional organizations conducting the practice of law in Nebraska shall comply with the following requirements, and the ~~articles of organization~~ organizing document of any domestic professional organization shall contain provisions complying with the following requirements:

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(7)(a) . . .

(b) All professional organizations operating under this rule shall maintain professional liability insurance as set forth herein. The ~~articles of organization~~ organizing document shall provide that any shareholder, partner, or member who has not directly and actively participated in the act, error, or omission for which liability is claimed shall not be liable, except as provided in § 3-201(C)(7)(b)(v), for any of the damages caused if at the time the act, error, or omission occurs the professional organization has professional liability insurance which meets the following minimum standards:

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(c) The ~~articles of incorporation, partnership agreement, operating agreement, or other governing document or agreement of the professional organization~~ organizing document shall also provide, and each shareholder, partner, or member shall be deemed to agree, that if it is determined that the mandatory professional liability insurance as set forth above has lapsed or is otherwise not in effect at the time of the commission of any professional act, error, or omission by any of the shareholders, officers, directors, partners, members, managers, or employees of the professional organization, each of the shareholders, partners, or members of the professional organization at the time of the commission of any such professional act, error, or omission shall be jointly and severally liable to the extent that the assets of the organization are insufficient to satisfy any liability incurred by the corporation for the acts, errors, and omissions of the shareholder, partner, or member and other employees of the organization while they are

shareholders, partners, or members, to the same extent as if the shareholder, partner, or member were practicing in the form of a general partnership.

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§ 3-202. Filing requirements; ethical obligations; attorney-client privilege.

(A) All professional organizations, both domestic and foreign, shall file with the Clerk of the Supreme Court an application, along with a \$25 issuance fee as required by statute or this rule, for a Certificate of Authority from the Nebraska Supreme Court to operate in this state. Such applications by domestic professional organizations shall be accompanied, ~~as applicable, by the articles of incorporation, articles of organization, statement of qualification, or partnership agreement~~ organizing document of such organization. If such accompanying documents meet with the Supreme Court's approval, the Supreme Court will issue a Certificate of Authority to the domestic professional organization to operate under this rule. Applications by foreign professional organizations shall be submitted as set forth at § 3-202(D).

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(B) At the time of filing the original ~~articles of organization~~ organizing document with the Clerk of the Supreme Court, the domestic professional organization shall file a written list of members setting forth the names and addresses of each and a written list containing the names and addresses of all persons who are not members who are employed by the professional organization and who are authorized to practice law in Nebraska. The position in the professional corporation of each person identified in the firm name also shall be stated.

(C) A copy certified by the Secretary of State of the ~~articles of organization~~ organizing document of any domestic professional organization formed pursuant to this rule shall be filed with the Clerk of the Supreme Court, together with a certified copy of all amendments thereto.

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